

NEWSWEEK

4 MAY 1970

## Another Look

The furious circulation war waged by Look, Life and The Saturday Evening Post for more than a decade finally came to an end last week. One year after the demise of the Post, Look announced that it was cutting back its circulation—on which, of course, its advertising rates are based—from the 7,750,000 subscribers the magazine now claims to 6.5 million. Henceforth, Look will try to concentrate its diminished circulation in the 60 most profitable urban markets in America. Subscription renewals from rural readers will no longer be sought, although they will still be accepted. "The numbers game is over," declared Gardner Cowles, founder and chairman of the board of Cowles Communications, Inc.,

of which Look is the flagship. "The multi-million-circulation magazine just didn't have the strong appeal for advertisers it used to. So we had to come up with a new program."

Perhaps. But Look's decision to cut back circulation was not entirely voluntary. Among the woes that have beset the Cowles empire of late has been a continuing attack by Rep. Fred Rooney, a Pennsylvania Democrat, on Look's door-to-door sales of what are known as paid-during-service subscriptions (PDS). "Their salesmen will tell housewives they'll be getting Look for 7 cents a week for 50 weeks when the actual cost is double that," claims one rival magazine vice president. "Or sometimes, they'll simply stay in the house until the housewife, beaten down, will purchase a hundred dollars worth of various magazines over a five-year period."

Between the Rooney investigation and the reportedly impending issuance of a Federal Trade Commission complaint against Cowles and three other publishers,\* Look had scant choice but to renounce PDS and the circulation that came with it. "We've accelerated our plans to concentrate on urban areas because of the PDS dispute," concedes Marvin Whatmore, president of Cowles. Says Garry Valk, publisher of Life: "They're making the best of a bad thing."

**Malaise:** Its troubles with PDS were by no means the only thing that prompted Look to present a new program to advertisers. This past year Cowles announced the closing of The Suffolk Sun, a Long Island daily that was losing, by at least one estimate, some \$5 million annually. The Sun joined Education News, Insider's Newsletter, Accent on Leisure, and Quick and Flair in the morgue of failed Cowles projects. And to add to the atmosphere of malaise surrounding Look, the magazine was in court last week defending itself against a \$12.5 million libel suit by San Francisco Mayor Joseph Alioto. Alioto's suit was prompted by a piece written by two young reporters, Lance Brisson and Richard Carlson, which alleged that the mayor had ties to a half dozen Mafia figures.

To some observers, Look's difficulties seemed painfully analogous to those of the defunct Saturday Evening Post—which shortly before it closed down cut its subscriber list and lost \$760,000 in libel suits to University of Alabama football coach Paul (Bear) Bryant and University of Georgia grid coach Wally Butts. But the apparent analogies between Look and The Saturday Evening Post are misleading. Look has not been beset by the management problems that so damaged the Post and, while

the m... it last year, it remains, by general consent, a better editorial product than was the Post before its fall. One New York magazine executive put it this way: "They're in some trouble, but I certainly don't foresee their end."

**Smart Move:** In fact, many advertising and publishing executives agree with Whatmore that Look has made a smart move. "We had been considering this urban-concentration approach in 1967," Whatmore insists. "Then the Post tried it ineptly and out of desperation and died. So we put it on the back burner. We were aware that some people thought a cutback in circulation carried the kiss of death with it. But we re-examined our program and found that, in fact, the notion wasn't justified."

Whatmore admits that Look can't compete with television in terms of numbers, but he believes that with its newly focused subscription list and computerized marketing, the magazine can assure an advertiser that his message will reach the affluent audience he wants. "We've canvassed the world of advertising," he says, "and our move has been unanimously applauded." Richard Jones, media director for the J. Walter Thompson agency, agrees: "To many advertisers who want to concentrate on urban markets," says Jones, "this new program should make Look more attractive."

Life, however, continues to battle television head-to-head for the advertising dollar. With its circulation of 8.5 million, a full-page color ad in Life costs \$64,200, or about what it costs to buy a minute of TV time during a National Football League game. (Because of its diminished circulation, Look has now reduced its cost for a full-color page from \$55,500 to \$48,500.) The major reason for Life's boldness is publisher Valk's belief that mass magazines now offer better advertising showcases than television. "We feel that TV is suffering from clutter," says Valk. "Several years ago, TV went from 60-second spots to 30-second spots. We question the ability of the viewer to retain all those messages."

To support this argument, Valk points to a sixteen-month survey taken by Life, Look and the Reader's Digest in conjunction with General Foods, which seemed to indicate that products sold better when advertised in both magazines and television than they did when advertised solely on television. "The competition between Look and Life has been overplayed," contends the publisher of Life. "Our biggest battle has been a common one—to attract the advertising dollar away from TV. If we can get that, there will be plenty of advertising money for both Life and Look."

Even so, Valk concedes that Life's victory in the numbers war could yet prove to be a Pyrrhic one. "If Look seems in trouble to everyone," he says, "then we at Life will have a lot of questions to answer about the viability of our own product."

\*The FTC, which has been investigating magazine sales abuses since last summer, is expected to issue formal complaints within the next ten days against four major publishers and their PDS subsidiaries. The companies are Cowles, Time Inc., the Hearst Corp. and Perfect Film and Chemical Corp., which operates the subscription and circulation subsidiaries of the Curtis Publishing Co. A formal complaint, which is an injunction to "cease and desist," is the strongest action the FTC can take.

MORI/CDF